UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS

THE DIRECT RESPONSE RESOURCE, INC., an Illinois corporation,

CASE NO. 07 C 6301

Plaintiff,

vs.

REPORT OF PARTIES PLANNING MEETING PURSUANT TO RULE 26(f), F.R.C.P.

HIRSCH PRESENTATION SYSTEMS USA. a New Jersey corporation,

> Defendant and Third Party Plaintiff.

VS.

HIRSCH BRACELET (HK) LTD, a Hong Kong Private Limited Company and SCHENKER, INC., a New York corporation,

Third Party Defendant.

1. Pursuant to Fed.R.Civ.P.26(f) a telephonic conference was held on February 18, 2008 in which the following individuals participated:

> Jordan B. Reich, Kohner, Mann & Kailas, S. C. for the plaintiff Alreen Haeggquist, Haeggquist Law Group for the defendant and third party plaintiff Stephanie Espinoza, Marwedel, Minichello & Reeb, P.C. for third party

defendant Schenker, Inc.

2. Pre-Discovery Disclosures. The plaintiff shall provide the information required by Fed.R.Civ.P. 26(a) (1) on or before March 19, 2008. The defendant-third party plaintiff and the third party defendant Schenker, Inc. shall provide the required information by April 19, 2008.

Discovery Plan. The parties jointly propose to the court the following discovery plan:

Discovery will be needed on the following subjects: The defendant and third party defendants liability as well as the damages suffered by the plaintiff. Discovery will also be needed as to each of the defenses raised by the defendant and third party defendants as to the complaint and the third party complaint.

All discovery to be completed by November 19, 2008. Fact discovery to be completed by August 19, 2008 with all other discovery completed by November 19, 2008.

Each party will be allowed pursuant to Fed. R. Civ. P.33 (1) twenty-five (25) written interrogatories including all discrete subparts. Leave to serve additional interrogatories may be granted to the extent consistent with Rule 26(b) (2). Responses due thirty (30) days after service.

Each party pursuant to Fed.R.Civ.P 34 may serve on any other party written requests for admissions for the purposes of the pending action only in accordance with Fed.R.Civ.P 26(b) (1). Responses due thirty (30) days after service.

At the present time the maximum number of depositions to be taken by each party is unknown. Each deposition shall be limited in accordance with the provisions of Fed.R.Civ, P. 30(d) (1) to one (1) day of seven (7) hours subject to either the stipulation of the parties or order of the court.

Plaintiff shall name its expert or experts and provide an appropriate written report from said expert or experts by August 19, 2008. Defendant and the Third Party Defendant shall name their expert or experts and provide an appropriate written report from their expert or experts by September 19, 2008. Any party seeking to name a rebuttal expert witness must do so by October 19, 2008. A rebuttal expert's report must be provided at the time of the expert's naming but no later than October 19, 2008.

Supplementations under Rule 26(a) (2) are due by November 19, 2008.

4. Other items.

The parties request a conference with the court before entry of the scheduling order.

The parties request a pretrial conference in March 2009.

The parties will have until May 19, 2008 to amend the pleadings or join a party.

Dispositive motions, if any, shall be filed by January 19, 2009.

Settlement cannot be evaluated at this time.

Final lists of witnesses and exhibits under Rule 26(a) (3) shall be served by all parties by February 19, 2009.

The parties shall have ten (10) days after service of a party's final lists of witnesses and exhibits to list objections under Rule 26(a) (3).

The case should be ready for trial by April 2009 and at this time the length of trial is uncertain.

Third party defendant Hirsch Bracelet (HK) Ltd has not been served.

Date: February 19, 2008.

KOHNER, MANN & KAILAS, S.C. Attorneys for Plaintiff

BY /s/Jordan B. Reich
Jordan B. Reich

HAEGGQUIST LAW GROUP Attorneys for Defendant and Third Party Plaintiff

BY /s/Alreen Haeggquist
Alreen Haeggquist

MARWEDEL, MINICHELLO & REEB P.C. Attorneys for Third Party Defendant Schenker, Inc.

BY /s/Stephanie A. Espinoza
Stephanie A. Espinoza

W:\LITIGATION\jbr\Direct Response v Hirsch Liquid Ideas\Rule 26 report.doc